



Single Electricity Market

MODIFICATIONS COMMITTEE MEETING MINUTES

MEETING 128

MS Teams Call

9th April 2025

10.30AM – 12.30PM

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Document History

Version	Date	Author	Comment
1.0	16 th April 2025	Modifications Committee Secretariat	Issued to Modifications Committee for review and approval
2.0	28 th April 2025	Modifications Committee Secretariat	Committee and Observer review complete

Distribution List

Name	Organization
Modifications Committee Members	SEM Modifications Committee
Modification Committee Observers	Attendees other than Modifications Panel in attendance at Meeting
Interested Parties	Modifications & Market Rules registered contacts

Reference Documents

Document Name
Balancing Market Rules – Trading and Settlement Code & Agreed Procedures
Mod_01_25 Synchronous Condensers SDP_06 v3
Presentation

In Attendance

Name	Company	Position
Modifications Committee		
Stacy Feldmann (Chair)	SSE	Generator Member
Adelle Watson	NIE Networks	MDP Member
Andrew Burke	WEI	Renewable Generator Member
Andrew Kelly	ESB	Generator Member
Bryan Hennessy	Flogas Enterprise Limited	Supplier Member
Caroline Winder	Uregni	RA Alternate
Christopher Mullan	Power NI	Supplier Alternate
Eoin Murphy	ElectroRoute	Assetless Member
Harry Molloy	EPUKI	Generator Member
James Long	ESB Networks	MDP Member
Katia Compagnoni	SEMO	MO Member
Kevin Hagan	CRU	RA Member
Kevin Goslin	CRU	RA Alternate

Michael Atcheson	SONI	SO Member
Michael Coone	EirGrid	SO Member
Niamh Trant	Bord Gais Energy	Supplier Alternate
Nick Brown	PrePaidPower	Supplier Alternate
Nick Heyward	Energy Storage Ireland	Flexible Participant Alternate
Paraic Higgins	ESB	Generator Alternate
Richard Crowley	BNM	Generator Alternate
Robert McCarthy	VIOTAS	DSU Alternate
Secretariat		
Esther Touhey	SEMO	Secretariat
Sandra Linnane	SEMO	Secretariat
Observers		
Claire Kelly	EirGrid	Observer
Ed Carty	EirGrid	Observer
Elaine Corcoran	EirGrid	Observer
Niall Rutherford	EirGrid	Observer
Pranav Kakkar	EPUKI	Observer
Nicole Browne	CRU	Observer
Peter Brett	EcoPower	Observer

1. SEMO UPDATE

Secretariat welcomed all to Modifications Committee Meeting 128. Minutes for Meeting 127B were read and approved.

RA Member provided an update on Mod_13_23 noting that the modification proposal itself is relatively straight-forward and the issue sits with the TSOs' proposed definitions of constraint, curtailment and energy balancing. Discussions between the RAs and TSOs on this are ongoing. The TSOs have presented their preferred option and a number of other options regarding how to treat curtailment and energy balancing for Non-Priority Dispatch Renewables (NPDRs). The RAs have requested analysis on the potential effects of the TSO preferred option and other options on imbalance prices, market participant imbalance settlement and imperfection costs. Progress on this analysis has been slower than the RAs would have expected. Generator Member queried if the analysis would be shared with Industry because inputs had been provided to previous year's consultation so any changes would need to be taken into account. RA Member confirmed that the decision had yet to be published but they would take an action to check if the analysis could also be published. Generator Alternate stated that at industry workshops more clarity was requested on the implications of this

Modification on Scheduling and Dispatch of NPDRs, Flagging and Tagging and Imbalance Price. Sight of this was very important and it was also noted that re-negotiation of Power Purchase Agreement (PPAs) may be needed requiring significant advance notice to be put in place. An update could be given at this forum or in Future Market Power sessions. Renewable Generator Member also noted that the system implementation was scheduled for September with Participants testing in June so a prompt decision would be required. Participants have invested in this change which is also happening in parallel with other projects. RA Member noted all comments but stated that a definite timeline could not be provided.

Market Development Update

SEMO Observer delivered a [presentation](#) on the Market Development Update. Brief update was given at MOUG and it was noted that Release N was published on 19th March. It was queried what would be the exact date for the May Release, but this could not be provided at this time.

2. REVIEW OF ACTIONS

Mod_10_23 Market Compensation for Firm Curtailment Look Back Period	SEMO to publish detailed process for comments – On Hold
Mod_01_25 Synchronous Condensers SDP_06	- Proposer to submit a version 2 of this proposal and liaise with Secretariat to arrange an industry call– Closed - Secretariat to convene Modifications Committee Meeting 127B in March – Closed - Proposer to assess how Synchronous Condensers will function alongside standard GU that can operate in Synchronous Condenser Mode - Closed - Proposer to review how the times to sync and de-sync within the TODs will be handled – Closed - Proposer to review LCIS contracts and confirm this proposal does not run contrary to them – Closed - Proposer to provide detail on the impact this Modification will have on Dispatch Down and Constraints – Closed - RAs to consider recovery of Network Charges by Non-LCIS Synchronous Condensers – Closed - Proposer to take in consideration other program streams such as Layered Procurement Framework (LPF) and Future Arrangements for System Services (FASS) as a whole – Closed

3. DEFERRED MODIFICATION PROPOSAL

MOD_01_25 SYNCHRONOUS CONDENSERS SDP_06 V3

The Proposer delivered a [presentation](#) on this Modification Proposal noting that only the slides with updates from previous Meeting 127B would be addressed. The Proposer went through different scenarios explaining why currently Synchronous Condensers are scheduled even when they are not required because in the scheduler's eyes, they do not have any associated cost leading to unnecessary payments.

The Proposer went through the actions that were raised at the previous meeting and listed the benefits of reducing the minimum number of conventional unit's constraints from 8 to 5 by the end of 2026 thanks to the correct dispatch of Synchronous Condensers. Other benefits include the reduction of dispatch down of Renewables, improvement in security of supply and carbon reduction. Assurances were also provided that coordination with the Future Arrangement for System Services (FASS) team was ongoing and that it had been confirmed that the changes proposed in the Modification will not prevent participation in future arrangements for inertia and reactive power.

Generator Alternate advised that at a recent Grid Code review panel, it was advised by a TSO member that a tiebreak decision was based on energy consumption and queried if forcing Synchronous Condensers to bid at zero and have decisions based on consumptions compliant with the Energy Balancing Guidelines (EBGL). It was felt that the TSO main objective in scheduling is to minimize deviation from Final Physical Notification (FPN) and given that Synchronous Condensers don't have FPNs, the conventional units would always be chosen ahead of them as they are providing energy and inertia. Generator Alternate stated it was not clear how this will work or how synchronous condensers will operate. An Observer from EirGrid advised that the scenario of tie breaking was not being represented correctly: in a tiebreak an additional cost is added when the same amount of energy from Generators with the same cost can be provided; this would still be the same for two (or More) Synchronous Condensers with the same consumption and inertia contributions. If a synchronous condenser provides the same level of inertia but consumes less power than another it would be selected on that basis, not requiring the tiebreak logic to be applied. The Observer advised that they would also take the EGBL query away for further review.

The cost of deviating from FPN was also discussed further. Generator Alternate felt that the opportunities for Synchronous Condensers were limited, and they could be underutilized as there was no signal to run those assets.. EirGrid Observer replied that was not the case as once a starting point is being identified, which in the case of Synchronous Condensers is zero and for other generators is the FPNs; the objective is to minimize system costs taking into account FPNs, energy requirements and other constraints such as reserve & inertia requirements etc. into account. This means that if required to provide inertia to meet system requirements then synchronous condensers will be considered alongside conventional generators. Generator Alternate felt that an assessment should have been provided regarding the running of Synchronous Condensers because in the past they were given the opposite view that conventional generators would always be favorite and Synchronous Condensers seemed to be left behind with this proposal.

Generator Alternate also noted that the Proposer's presentation included the minimum conventional unit's constraint going from 8 units to 5 in 2026, but the TSO operational roadmap says that anything below 7 probably won't happen until 2028.

Generator Alternate also raised the issue of compensation of Network Charges for non-LCIS (Low Carbon Inertia Services) units which in their view currently constitutes a barrier to entry. RA Member responded that relevant SEM Committee decisions had been reviewed, and nothing was noted to show there would be a rebate for network charges for non-LCIS Synchronous Condensers. Generator Alternate also explained that LCIS units just had to identify the costs and request a refund under their contracts with the TSO but other units in the Market, such as Batteries, can include this in their No-Load Cost. RA Member asked for information to be shared with them regarding LCIS contracts and replied that Batteries provide balancing energy which is not the case for Synchronous Condensers, which goes back to the initial question the RAs and Modifications Committee had regarding why Synchronous Condensers should be included in the Trading and Settlement Code (T&SC) in the first place and not just in the System Services Code.

A Generator Member asked if there would be a dispatch hierarchy for Synchronous Condensers but if their starting point was zero while other units had FPNs, then the comparison would not be like with like. It was also pointed out that the Balancing Market Principal Statement (BMPS) also refers to deviation from FPNs and this Modification does not explain how the optimization of Synchronous Condensers within the scheduler

will happen. It was noted that it had been very difficult to go through the various versions of the Proposal without an analysis of the overall impact.

Another Generator Member looked for a guarantee that there will be no obligation or penalty tied to FPNs in the FASS project for Synchronous Condensers. The Proposer provided assurance that the submission of FPNs would not be a determining factor for Synchronous Condensers and explained that the FASS team was satisfied that there would be no barrier created from this Modification in the future development of non-reserve services.

Several Members raised concerns about the process by which this modification proposal was developed and the fact that fundamental issues and questions raised by the Modifications Committee regarding the proposal and treatment of synchronous condensers had not been resolved or addressed. Proposer advised that they were happy for the Proposal to be voted on and following Member feedback the Chair confirmed that a vote would be taken.

Assetless Member asked if there would still be an avenue for non-LCIS Synchronous Condensers to recover Network Charges once a vote is taken. The Proposer replied that it was not in their remit.

Decision

This Proposal was Recommended for Approval.

Recommended for Approval by Majority Vote		
Stacy Feldmann (Chair)	Generator Member	Reject
Andrew Burke	Renewable Generator Member	Approve
Andrew Kelly	Generator Member	Reject
Christopher Mullan	Supplier Alternate	Reject
Eoin Murphy	Assetless Member	Approve
Niamh Trant	Supplier Alternate	Approve
Nick Brown	Supplier Alternate	Approve
Bryan Hennessy	Supplier Member	Approve
Richard Crowley	Generator Alternate	Approve
Robert McCarthy	DSU Member	Reject
Nick Heyward	Flexible Participant Member	Reject

Action:

- Secretariat to draft a Final Recommendation Report – **Open**

- Proposer to confirm if proposal is EBGL compliant if Synchronous Condensers must bid at zero – **Open**
- RAs to review possibility of analysis being published in relation to Mod_13_23 – **Open**
- Generator Alternate to provide details on recovery of Network Charges for LCIS Synchronous Condensers - **Open**

4. AOB/UPCOMING MODIFICATIONS

SEMO advised that a minor Housekeeping Modification Proposal would be brought forward to the next meeting.

Secretariat thanked all for their attendance and confirmed that Modifications Committee 129 will take place on Thursday, 19th June 2025.

APPENDIX 1 – PROGRAMME OF WORK AS DISCUSSED AT MEETING 128		
Status as of 9 th April 2025		
Modification Proposals 'Recommended for Approval' without System impacts		
Title	Sections Modified	Sent
Mod_10_23 Market Compensation for Firm Curtailment Look Back Period	H	Sent for RA Decision 16/11/23
Modification Proposals 'Recommended for Approval' with System impacts		
Mod_13_23 SDP_01 Treatment of Non-Priority Dispatch Renewables	D,F Appendix E,I,K,O, Glossary	Sent for RA Decision 15/03/24
Mod_02_23 DSU Energy Payments	B, F, G, H AP01 Section 2.3 & Appendix 3	Sent for RA Decision 16/03/23
Modification Proposals 'Recommended for Rejection'		
N/A	N/A	N/A
RA Decision 'Further Work Required'		
N/A	N/A	N/A
RA Decision Approved Modifications with System Impacts		
Title	Sections Modified	Effective Date
Mod_02_24 SDP_02 Battery Integration V3	B,D,F Appendix H,I,N,O, Glossary, Agreed Procedure 1 & 4	Following system implementation
Mod_17_22 System Action Re-pricing	E.3.4.2	Following system implementation
Mod_05_23 Market Compensation for Firm Curtailment	F, G, Glossary	Following system implementation
RA Decision Approved Modifications with no System Impacts		
Title	Sections Modified	Effective Date
Mod_06_24 SEMO preparatory actions for ART13.7 CEP	Section H	1 st October 2024
RA Decision Rejected		
Mod_07_24 Introduction to TEG Activation Compensation Payment	Section F	N/A
RA Direction		
Mod_08_20 Imbalance prices to reflect the real-time value of energy	D.4.4.12	Decision letter received – 29/10/20
AP Notifications		
N/A	N/A	N/A

Withdrawal Notifications		
N/A	N/A	N/A
Modification Proposal Extensions		
N/A	N/A	N/A
Meeting 129 – 19th June 2025 – MS Teams		

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